

MAIL TO:

STATE OF UTAH
 DIVISION OF PURCHASING
 3150 STATE OFFICE BUILDING, STATE CAPITOL
 P.O. BOX 141061
 SALT LAKE CITY, UTAH 84114-1061
 TELEPHONE (801) 538-3026
<http://www.purchasing.state.ut.us>

Request for ProposalSolicitation Number: **GM3017**Due Date: **01/14/03 at 3:00 P.M.**

Date Sent: December 17, 2002

Agency Contract

Goods and services to be
 purchased:

PROVIDE ROUTING ANSI TRANSACTIONS**Please complete**

| | | | |
|---|--|-----------------------------------|----------|
| Company Name | | Federal Tax Identification Number | |
| Ordering Address | City | State | Zip Code |
| Remittance Address (if different from ordering address) | City | State | Zip Code |
| Type <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship <input type="checkbox"/> Government | Company Contact Person | | |
| Telephone Number (include area code) | Fax Number (include area code) | | |
| Company's Internet Web Address | Email Address | | |
| Discount Terms (for bid purposes, bid discounts less than 30 days will not be considered) | Days Required for Delivery After Receipt of Order (see attached for any required minimums) | | |
| The following documents are included in this solicitation: Solicitation forms, instructions and general provisions, and specifications. <u>Please review all documents carefully before completing.</u> | | | |
| The undersigned certifies that the goods or services offered are produced, mined, grown, manufactured, or performed in Utah. Yes ____ No _____. If no, enter where produced, etc. _____ | | | |
| Offeror's Authorized Representative's Signature | | Date | |
| Type or Print Name | | Position or Title | |

**STATE OF UTAH
DIVISION OF PURCHASING**

Request for Proposal

Solicitation Number: GM3017

Due Date: 01/14/03

Vendor Name:

THE PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP) IS TO ENTER INTO A CONTRACT WITH A COMPANY TO SEND AND RECEIVE CLAIMS TO AND FROM INSURANCE COMPANIES FOR THE OFFICE OF RECOVERY SERVICES (ORS). THE REQUIREMENTS ARE ATTACHED.

A CONTRACT AWARDED AS A RESULT OF THIS RFP WILL BE FOR A PERIOD OF 3 YEARS, WITH THREE ONE-YEAR RENEWAL OPTIONS.

ALL TECHNICAL QUESTIONS MAY BE SUBMITTED IN WRITING TO ANNETTE PERKINS, CONTRACT ANALYST, BY FAX (801) 536-8509 OR E-MAIL aperkins@utah.gov. QUESTIONS ARE DUE ON OR BEFORE 01/03/03. WITH RFP PROCESS QUESTIONS CONTACT GLENDON MITCHELL, PURCHASING AGENT, (801) 538-3138.

REFERENCE RX: 200 35000000005.

REQUEST FOR PROPOSAL - INSTRUCTIONS AND GENERAL PROVISIONS

1. **PROPOSAL PREPARATION:** (a) All prices and notations must be in ink or typewritten. (b) Price each item separately. Unit price shall be shown and a total price shall be entered for each item bid. (c) Unit price will govern, if there is an error in the extension. (d) Delivery of services as proposed is critical and must be adhered to. (e) Incomplete proposals may be rejected. (f) This proposal may not be withdrawn for a period of 60 days from the due date. (g) Where applicable, all proposals must include complete manufacturer's descriptive literature. (h) By signing the proposal the offeror certifies that all of the information provided is accurate, that they are willing and able to furnish the item(s) specified, and that prices offered are correct.

2. **SUBMITTING THE PROPOSAL:** (a) The proposal must be signed in ink, sealed, and if mailed, mailed in a properly-addressed envelope to the DIVISION OF PURCHASING, 3150 State Office Building, Capitol Hill, Salt Lake City, UT 84114-1061. **The "Solicitation Number" and "Due Date" must appear on the outside of the envelope.** (b) Proposals, modifications, or corrections received after the closing time on the "Due Date" will be considered late and handled in accordance with the Utah Procurement Rules, section 3-209. (c) **Your proposal will be considered only if it is submitted on the forms provided by the state. Facsimile transmission of proposals to DIVISION will not be considered.** (d) All prices quoted must be both F.O.B. Origin per paragraph 1.(c) and F.O.B. Destination. Additional charges including but not limited to delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, costs of bonds, or for any other purpose must be included in the proposal for consideration and approval by the Division of Purchasing & General Services (DIVISION). Upon award of the contract, the shipping terms will be F.O.B. Destination, Freight Prepaid with freight charges to be added to the invoice unless otherwise specified by the DIVISION. No charge for delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, costs of bonds, or for any other purpose will be paid by the state unless specifically included in the proposal and accepted by DIVISION. (e) By signing the proposal the offeror certifies that all of the information provided is accurate and that he/she offers to furnish materials/services for purchase in strict accordance with the requirements of this proposal including all terms and conditions.

3. **BONDS:** The state has the right to require a bid or proposal bond, payment bond and/or a faithful performance bond from the offeror in an amount not to exceed the amount of the contract.

4. **PROPRIETARY INFORMATION:** Suppliers are required to mark any specific information contained in their bid which is not to be disclosed to the public or used for purposes other than the evaluation of the bid. Each request for non-disclosure must be accompanied by a specific justification explaining why the information is to be protected. Pricing and service elements of any proposal will not be considered proprietary. All material becomes the property of the state and may be returned only at the state's option. Proposals submitted may be reviewed and evaluated by any persons at the discretion of the state.

5. **BEST AND FINAL OFFERS:** Discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of assuring full understanding of, and responsiveness to, solicitation requirements. Prior to award, these offerors may be asked to submit best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by a competing offeror.

6. **SAMPLES:** Samples, brochures, etc., when required, must be furnished free of expense to the state and if not destroyed by tests may, upon request made at the time the sample is furnished, be returned at the offeror's expense.

7. **DIVISION APPROVAL:** Contracts written with the State of Utah, as a result of this proposal, will not be legally binding without the written approval of the Director of the DIVISION.

8. **AWARD OF CONTRACT:** (a) The contract will be awarded with reasonable promptness, by written notice, to the lowest responsible offeror whose proposal is determined to be the most advantageous to the state, taking into consideration price and evaluation factors set forth in the RFP. No other factors or criteria will be used in the evaluation. The contract file shall contain the basis on which the award is made. Refer to Utah Code Annotated 65-56-21. (b) The DIVISION can reject any and all proposals. And it can waive any informality, or technicality in any proposal received, if the DIVISION believes it would serve the best interests of the state. (c) Before, or after, the award of a contract the DIVISION has the right to inspect the offeror's premises and all business records to determine the offeror's ability to meet contract requirements. (d) The DIVISION will open proposals publicly, identifying only the names of the offerors. Proposals and modifications shall be time stamped upon receipt and held in a secure place until the due date. After the due date, a **register** of proposals shall be established. The **register** shall be open to public inspection, but the proposals will be seen only by authorized DIVISION staff and those selected by DIVISION to evaluate the proposals. The proposal(s) of the successful offeror(s) shall be open for public inspection for 90 days after the award of the contract(s). (e) Utah has a reciprocal preference law which will be applied against bidders bidding products or services produced in states which discriminate against Utah products. For details see Section 63-56 20.5 -20.6, Utah Code Annotated.

9. **ANTI-DISCRIMINATION ACT:** The offeror agrees to abide by the provisions of the Utah Anti-discrimination Act, Title 34 Chapter 35, U.C.A. 1953, as amended, and Title VI and Title VII of the Civil Rights Act of 1964 (42 USC 2000e), which prohibit discrimination against any employee or applicant for employment, or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age, and Section 504 of the Rehabilitation Act of 1973 or the Americans with Disabilities Act of 1990, which prohibits discrimination on the basis of disabilities. Also offeror agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the workplace. Vendor must include this provision in every subcontract or purchase order relating to purchases by the State of Utah to insure that the subcontractors and vendors are bound by this provision.

10. **WARRANTY:** The contractor agrees to warrant and assume responsibility for all products (including hardware, firmware, and/or software products) that it licenses, contracts, or sells to the State of Utah under this contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in this contract. The contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah applies to this contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to this contract unless otherwise specified and mutually agreed upon elsewhere in this contract. In general, the contractor warrants that: (1) the product will do what the salesperson said it would do, (2) the product will live up to all specific claims that the manufacturer makes in their advertisements, (3) the product will be suitable for the ordinary purposes for which such product is used, (4) the

product will be suitable for any special purposes that the State has relied on the contractor's skill or judgement to consider when it advised the State about the product, (5) the product has been properly designed and manufactured, and (6) the product is free of significant defects or unusual problems about which the State has not been warned. Remedies available to the State include the following: The contractor will repair or replace (at no charge to the State) the product whose nonconformance is discovered and made known to the contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State of Utah may otherwise have under this contract.

11. **DEBARMENT:** The CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the CONTRACTOR cannot certify this statement, attach a written explanation for review by the STATE.

12. **GOVERNING LAWS AND REGULATIONS:** All State purchases are subject to the Utah Procurement Code, Title 63, Chapter 56 Utah Code Annotated 1953, as amended, and the Procurement Rules as adopted by the Utah State Procurement Policy Board (Utah Administrative Code Section R33). These are available on the Internet at www.purchasing.state.ut.us.

(Revision 2/14/2000 - RFP.Instructions)

REQUEST FOR PROPOSAL

Routing ANSI Transactions

PURPOSE OF REQUEST FOR PROPOSAL (RFP)

The purpose of this request for proposal is to enter into a contract with a company to send and receive claims to and from Insurance Companies for the Office of Recovery Services (ORS).

ADMINISTRATIVE GUIDANCE

The information provided herein is intended to assist offerors in the preparation of proposals necessary to properly respond to this RFP. The RFP is designed to provide interested offerors with sufficient basic information to submit proposals meeting minimum requirements, but is not intended to limit a proposal's content or exclude any relevant or essential data therefrom. Offerors are at liberty and are encouraged to expand upon the specifications to evidence service capability under any agreement.

ISSUING OFFICE AND RFP REFERENCE NUMBER

The State of Utah Division of Purchasing is the issuing office for this document and all addenda relating to it. The reference number for the transaction is GM3017. This number must be referred to on all proposals, correspondence, and documentation relating to the RFP.

RESPONSE DATE

Seven copies of your proposal must be received at the State of Utah Division of Purchasing, 3150 State Office Building, Salt Lake City, UT 84114, prior to the closing date and time specified. Proposals received after the deadline will be late and ineligible for consideration.

TERM OF CONTRACT

Contract will be for a period of 3 years, with three one-year renewal options. Attachment A: Standard Terms and Conditions will become an integral part of any contract resulting from this RFP.

CONSIDERATION OF PROPOSALS

The State of Utah may award a contract based on the initial proposals received, without discussion of such proposals. Accordingly, each initial proposal should be submitted with the most favorable price and service standpoint. The State reserves the right to reject any or all proposals received.

SCOPE OF SERVICES

The Vendor should be able to perform the following:

1. Send and receive HIPAA-compliant electronic transmissions in batch mode
 - a. 837 - Dental, Professional, Institutional Health Claims
 - b. 835 - Health Claim Payment Advice
 - c. 270 - Eligibility Inquiry
 - d. 271 - Eligibility Response
 - e. 277 - Front End Status
 - f. 276 - Health Claim Status Request
 - g. 277 - Response to Health Claim Status Request

ORS will produce the transactions (837, 270, 276). The vendor will batch like (e.g., all 837) transactions by insurance company, and electronically send the file to the appropriate insurance company. The vendor will receive files (277 Front End, 835, 271, and 277 response files) from the insurance company, and route them to ORS.

All like transactions (e.g., all 837 transactions, or all 270 transactions) for multiple insurance companies will be sent in the same file to the Vendor. The Vendor will sort transactions and send them to the appropriate insurance company. The Vendor will also accept like transactions from multiple insurance companies and send them in a single file to ORS.

2. Send and receive the transactions listed above to and from insurance companies throughout the United States.
3. Pursue trading partner agreements with any insurance company identified by ORS in an 837 or 270 transaction and send the data to the correct insurance company.
4. Provide a list of insurance companies (payers) to which the Vendor can currently route electronic transactions.
5. Provide ORS with Trading Partner Numbers for insurance companies sending or receiving electronic transmissions to or from ORS.
6. Assure that all transactions (those sent and those received) have sufficient security (encryption, or some other means to protect the data) to comply with the HIPAA Security Rule.
7. Customize software source code for installation to the Office of Recovery Services Mainframe computer or an ORS server.

8. Identify any of the above transactions that have not been successfully received by the insurance company or by ORS (e.g., ORS sent the 837 claim, but the insurance company did not receive the transmission for processing, or the insurance company sent the 835 Advice but ORS did not receive the transmission for processing).
9. Resend transactions to the insurance company that were not successfully received, or were received but had errors. If a change to the file is required, return the file to ORS for any needed correction.
10. Provide transmission statistics to ORS (e.g., the number of transactions of a given type sent to or received from a specific insurance company).
11. Provide maintenance of software.

PROPOSAL FORMAT

Proposal response outline. Proposal must be concise and in outline format. Pertinent supplemental information should be referenced and included as attachments. All proposals must be organized and tabbed to comply with the following sections:

- I. Request for Proposal cover sheet completely filled out and signed.
- II. Executive Summary. An executive summary that briefly describes the offeror's approach to the proposal and clearly indicates any options or alternatives. It should also indicate any major requirements that cannot be met by offeror. This summary should also highlight the major features of the proposal and identify any supporting information considered pertinent. In short, the reader should be able to determine the essence of the proposal and generally how well it meets the requirements by reading the executive summary.
- III. Detailed discussion. This section should constitute the major portion of the proposal and must contain at least the following information:
 - A. A general but complete narrative overview of the offeror's assessment of the work to be performed and the ability to meet those aims, along with the resources necessary to meet the requirement of this RFP. This overview should clearly demonstrate the offeror's understanding of the desired overall performance expectations as well as how well it will meet the requirements.
 - B. A specific response to each requirement in the RFP.

IV. Cost Proposal. A line by line breakdown of the cost for each service provided.

V. Additional information and attachments, if any.

PROPOSAL EVALUATION CRITERIA

Proposals will be evaluated by a committee against the following criteria with assigned weights indicated. Each area of the evaluation criteria must be addressed in detail in proposal.

| <u>WEIGHT</u> | <u>CRITERIA</u> |
|----------------------|------------------------|
|----------------------|------------------------|

| | |
|------------|--|
| 35% | <u>Cost of Service.</u> Please indicate the costs of: a. an individual transaction, b. site licenses, c. setting up the original program, d. Maintenance fees, and e. any other fees. |
|------------|--|

| | |
|------------|---|
| 25% | <u>Administration of Product:</u> Please explain the process required for: a. setting up the users, b. maintaining security, and c. technical support. |
|------------|---|

| | |
|------------|--|
| 15% | <u>Audit Reports:</u> Please explain or give an example of a monthly report which could be used for auditing and how it would be accessed and stored. |
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| | |
|------------|---|
| 25% | <u>Flexibility of Products.</u> Please describe how your company would support ORS in developing a product to meet the specific and continuing needs of ORS. |
|------------|---|

ORAL PRESENTATION

An oral presentation by an offeror to supplement a proposal may be required. These presentations will be scheduled, if required, by the evaluation committee subsequent to the receipt of proposals and prior to the award. Only the five highest scoring offeror's will be invited.

PROPRIETARY INFORMATION

Offerors are requested to mark any specific information contained in their proposal which is not to be disclosed to the public or used for purposes other than the evaluation of the proposals. Pricing and service elements of the successful proposal will not be considered proprietary. All materials become the property of the State of Utah and may be returned only at the State's option. Proposals submitted may be reviewed and evaluated by any person at the discretion of the State.

QUESTIONS

All technical questions may be submitted in writing to Annette Perkins, Contract Analyst, by fax (801) 536-8509 or e-mail aperkins@utah.gov. Questions are due 1/03/03. Answer's will be issued by an addendum.

ATTACHMENT A: STANDARD TERMS AND CONDITIONS

1. **AUTHORITY:** Provisions of this contract are pursuant to the authority set forth in 63-56, Utah Code Annotated, 1953, as amended, Utah State Procurement Rules (Utah Administrative Code Section R33), and related statutes which permit the STATE to purchase certain specified services, and other approved purchases for the STATE.
2. **CONTRACT JURISDICTION, CHOICE OF LAW, AND VENUE:** The provisions of this contract shall be governed by the laws of the State of Utah. The parties will submit to the jurisdiction of the courts of the State of Utah for any dispute arising out of this Contract or the breach thereof. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.
3. **LAWS AND REGULATIONS:** Any and all supplies, services and equipment furnished will comply fully with all applicable Federal and State laws and regulations.
4. **RECORDS ADMINISTRATION:** The CONTRACTOR shall maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the CONTRACTOR for costs authorized by this contract. These records shall be retained by the CONTRACTOR for at least four years after the contract terminates, or until all audits initiated within the four years, have been completed, whichever is later. The CONTRACTOR agrees to allow STATE and Federal auditors, and STATE Agency Staff, access to all the records to this contract, for audit and inspection, and monitoring of services. Such access will be during normal business hours, or by appointment.
5. **CONFLICT OF INTEREST:** CONTRACTOR represents that none of its officers or employees are officers or employees of the State of Utah, unless disclosure has been made in accordance with 67-16-8, Utah Code Annotated, 1953, as amended.
6. **CONTRACTOR, AN INDEPENDENT CONTRACTOR:** The CONTRACTOR shall be an independent contractor, and as such, shall have no authorization, express or implied, to bind the STATE to any agreements, settlements, liability, or understanding whatsoever, and agrees not to perform any acts as agent for the STATE, except as herein expressly set forth. Compensation stated herein shall be the total amount payable to the CONTRACTOR by the STATE. The CONTRACTOR shall be responsible for the payment of all income tax and social security amounts due as a result of payments received from the STATE for these contract services. Persons employed by the STATE and acting under the direction of the STATE shall not be deemed to be employees or agents of the CONTRACTOR.
7. **INDEMNITY CLAUSE:** The CONTRACTOR agrees to indemnify, save harmless, and release the STATE OF UTAH, and all its officers, agents, volunteers, and employees from and against any and all loss, damages, injury, liability, suits, and proceedings arising out of the performance of this contract which are caused in whole or in part by the negligence of the CONTRACTOR'S officers, agents, volunteers, or employees, but not for claims arising from the State's sole negligence.
8. **EQUAL OPPORTUNITY CLAUSE:** The CONTRACTOR agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the CONTRACTOR agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the work place.
9. **SEPARABILITY CLAUSE:** A declaration by any court, or any other binding legal source, that any provision of this contract is illegal and void shall not affect the legality and enforceability of any other provision of this contract, unless the provisions are mutually dependent.
10. **RENEGOTIATION OR MODIFICATIONS:** This contract may be amended, modified, or supplemented only by written amendment to the contract, executed by the parties hereto, and attached to the original signed copy of the contract.
11. **DEBARMENT:** The CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract), by any governmental department or agency. If the CONTRACTOR cannot certify this statement, attach a written explanation for review by the STATE.
12. **TERMINATION:** Unless otherwise stated in the Special Terms and Conditions, this contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the contract may be terminated for cause. This contract may be terminated without cause, in advance of the specified expiration date, by either party, upon 90 days prior written notice being given the other party. On termination of this contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.
13. **SALES TAX EXEMPTION:** The State of Utah's sales and use tax exemption number is E33399. The tangible personal property or services being purchased are being paid from State funds and used in the exercise of that entity's essential functions. If the items being purchased are construction materials, they will be converted into real property by employees of this government entity, unless otherwise stated in the contract.
14. **WARRANTY:** The contractor agrees to warrant and assume responsibility for all products (including hardware, firmware, and/or software products) that it licenses, contracts, or sells to the State of Utah under this contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in this contract. The contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to this contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to this contract unless otherwise specified and mutually agreed upon elsewhere in this contract. In general, the contractor warrants that: (1) the product will do what the salesperson said it would do, (2) the product will live up to all specific claims that the manufacturer makes in their advertisements, (3) the product will be suitable for the ordinary purposes for which such product is used, (4) the product will be suitable for any special purposes that the State has relied on the contractor's skill or judgement to consider when it advised the State about the product, (5) the product has been properly designed and manufactured, and (6) the product is free of significant defects or unusual problems about which the State has not been warned. Remedies available to the State include the following: The contractor will repair or replace (at no charge to the State) the product whose nonconformance is discovered and made known to the contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State of Utah may otherwise have under this contract.
15. **PUBLIC INFORMATION:** Contractor agrees that the contract will be a public document, as to distribution of copies, and Contractor gives the STATE express permission to make copies of the contract and/or of the response to the solicitation in accordance with the State of Utah Government Records Access and Management Act. The permission to make copies as noted will take precedence over any statements of confidentiality, proprietary information, copyright information, or similar notation.

(Revision date: Apr 24, 2002)